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Dealers an import priority

Leaders want 'em strong, profitable

Stronger, more profitable dealerships — not necessarily more dealerships — is the goal of auto importers as they prepare for the 1990s.

That is the message of executives interviewed for Import World, a special section in this issue.

The import officials — representing Japanese, Korean, German, Swedish and British vehicle nameplates — stressed that making existing dealerships more profitable, by boosting sales per outlet, is high among their goals as they prepare for the 1990s.

Import World section follows Page 52

Any expansion in number of dealerships, they said, will be precisely planned and carried out.

Said Erich Krampe, president, Mercedes-Benz of North America: "The health of our dealer body is very much our top concern. We have no intentions to extend our dealer organization dramatically. Also, we have no intentions to shrink. We are well represented now. We are not going the expansion road, and we are not going the contraction road."

Added Krampe, whose company recently has undergone a reorganization: "We are going to concentrate on supporting the dealership in total. The dealer body, and thereby the retail customer, will see a very strong and responsive management out there (in the sales zones), with more authority and more responsibilities."

During the past year, Mazda Motor of America consolidated two regional marketing arms into a single company and added about 35 dealers.

With that accomplished, George McCabe, deputy general manager and group vice president — sales and marketing, said Mazda has undertaken two major projects: identifying markets that are ripe for expansion and turning existing Mazda franchises into exclusive points with upgraded facilities.

"Next year, we'll add more dealerships — not many, but in key metro markets where studies show we're underdeveloped to some degree," McCabe said. "Our philosophy has been, and always will be, to add dealers only as we need them. We would rather do the volume of business we have with the least number of dealers."

McCabe added: "Our dealer development plans are not what I would call aggressively expansive. Actually, they're rather conservative."

Similarly, Hyundai Motor America's dealer expansion plans are based on production volume, ac-

see IMPORTS, page 52

4Runner goes 4door
Toyota introduced its 1990 4Runner sport-utility vehicle at the New York auto show. In addition to having a four-door sport-utility for the first time, Toyota will also offer the new model in a two-wheel-drive version. Two-door models will continue to be four-wheel-drive only. **New York auto show story and other photos on Page 4.**

Yugo, liquidator in accord

Buyback plan averts distress sale of 4,700 cars

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEWARK, N.J. — Yugo America has settled its dispute with an inventory liquidation firm that threatened to ruin the market for Yugos by dumping thousands of cars below dealer cost.

The out-of-court settlement, which was reached last Thursday between Yugo and Norauto LP of Columbus, Ohio, is subject to approval by Chief Judge Vincent J. Commisa of U.S. Bankruptcy Court.

It provides that Yugo America will be allowed to purchase about 4,700 Yugos from Norauto for resale to dealers. The settlement would also remove some of the uncertainty hanging over the company and its dealers since Yugo's parent, Global Motors, filed for reorganization Jan. 30 under Chapter 11 of the Bankruptcy Act.

Yugo America, the U.S. distributor of the Yugo, is based in Upper Saddle River, N.J.

Late last year, Norauto financed two shipments of Yugos with letters of credit worth about $14.3 million, using the cars as collateral. Norauto took delivery of the shipments Oct. 4 and Dec. 12.

Norauto, which deals in "distressed" inventory obtained from bankrupt or terminated dealers and distributors, subsequently claimed Yugo America defaulted on its promise to repay the financing with interest and threatened to sell the cars below dealer cost.

After that threat, Global filed for bankruptcy.

Under the proposed settlement, Yugo America agreed to buy a minimum of 150 cars in April, 200 in May and 300 from June through August.

The repurchase price is based on the original invoice price plus $275 per car, plus interest charges of prime plus 1 percentage point. The invoice prices of the cars range from about $2,200 to $3,000 depending upon model year and equipment.

By comparison, Yugo received the invoice price of the cars from Norauto in the form of the letter of credit. But the importer also had to pay on a per-car basis, $275 interest, $210 freight and $60 customs duties, Marcel

see YUGO, page 78

Ecology, car demand set to clash

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Heightened concern in Washington over global warming has prompted a flurry of tough fuel-economy bills in Congress and threatens to set government policy on a collision course with market demand for larger, more powerful cars.

While data is not conclusive on what impact the "greenhouse effect" is having on the environment, the speed with which Congress implements laws may depend less on their scientific merits than on this summer's weather.

"If we have another very hot, dry summer and the TV, newspapers and magazines start screaming, 'The greenhouse effect is here, somebody do something,' well, the 'somebody' will be Congress and they will increase CAFE," predicted Chrysler Motors President Robert Lutz.

At least five bills have already been introduced to Congress that would mandate corporate average fuel economy standards in the range of 40 to 50 mpg by the year 2000 in the interest of stabilizing the earth's temperature.

EPA recently issued a preliminary report recommending similar CAFE levels to combat greenhouse gases, primarily carbon dioxide, created when fuel is burned.

The EPA recommendations indicate the Bush administration supports such legislation — a complete reversal of the Reagan position.

Most of the bills in Congress call for at least a 20 percent increase in the CAFE standard of 27.5 mpg by 1992 or 1993. (Although the standard originally called for a CAFE of 27.5 mpg for 1989, it was rolled back by NHTSA to 26.5 mpg last fall.)

Lutz said Friday at the New York auto show that he hopes Congress won't raise CAFE beyond 30 mpg. "That's tough enough, depending on the time frame," he said.

If legislation calling for tight fuel-economy standards by 2000 becomes law, manufacturers will have relatively little time to change their design plans.

see ECOLOGY, page 80

Rental-car industry: a tumultuous giant

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Ownership changes in the rental-car industry have occurred at such a rapid clip in the past three years that observers need a scorecard to keep track of the players.

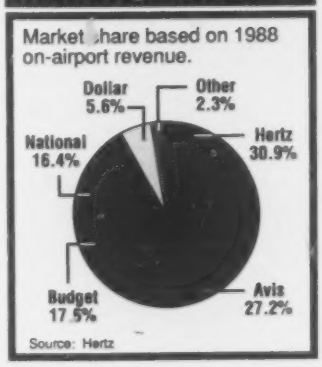
And big players they are: The industry last year purchased about 10 percent of total U.S. car production, representing more than $9.2 billion in revenue to domestic automakers.

It has become such an important part of domestic automakers' sales that to guarantee their market shares, General Motors has taken a stake in both Avis and National Car Rental Systems Corp., and Ford Motor Co. has taken equity positions in both Hertz Corp. and Budget Rent a Car Corp.

The partnership between Ford Motor and Hertz is an example of the synergy between an automaker and a rental-car company.

Ford sold about 85,000 vehicles, representing $850 million in revenue, to Hertz in 1987, according to Charles H. Finnie, analyst with Maryland-based Alex. Brown & Sons. Although hard numbers for 1988 are not yet available, he said he expected the total to exceed 100,000 units.

Rental-car industry shares



Driving the recent ownership changes at the rental companies was the repeal of the federal investment tax credit in 1986. The repeal meant the conglomerates that owned the rental-car companies no longer received huge tax benefits for buying cars.

As a result, the industry's Big 4 — Hertz, Avis, Budget and National — have undergone a flurry of management buyouts, public stock offerings and, in one case, purchase by its employees.

In the case of Hertz, Ford contributed $500 million in equity and joined with Hertz management to form an investment group that acquired the No. 1 rental-car firm in 1987 from UAL Corp., now United Airlines, based in Chicago.

Last summer, Ford turned around and sold 20 percent of Hertz to AB Volvo for $100 million, thereby reducing its ownership to 60 percent. Hertz management retained a 20 percent stake.

Avis employees, using an employee stock ownership plan, purchased Avis from New York investment firm Wesray Capital Corp. in 1987 for $750 million and assumption of the company's debt of $1 billion. It was the fifth time in as many years the company had changed hands.

U.S. CAR FLEETS
Average fleet sizes during 1988

Hertz	160,000
Avis	125,000
Budget	112,000
National	100,000*
Alamo	60,000
Thrifty	40,000

* Estimate
SOURCE: Rental-car companies

In January, GM purchased an undisclosed portion of Avis — estimated at 25 percent by industry sources.

Neither has Budget been exempt from ownership turnover. Budget expects to wrap up a deal in April in which a holding company comprised of Ford, Budget management and the New York-based investment firm Gibbons, Green, Van Amerongen will buy shares of the company held by outsiders,

see RENTAL, page 78

Futurist planted in present

Cutler guides Chrysler vision

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

How will Chrysler Motors differentiate Dodge cars from Plymouths? What is the best way to get shoppers into Eagle showrooms? What will consumers think about four-wheel-drive vehicles in 1995?

For the answers to these questions, Chrysler Motors turns to Laurel Cutler, a sharp-witted marketing expert and renowned futurist who joined the company as vice president of consumer affairs in November.

As the company's leading expert on consumer trends, Cutler, 62, keeps Chrysler management abreast of how consumers feel about the automaker and its cars.

Whether it is the styling of future vehicles or development of hard-hitting advertising, Cutler is bringing the voice of the consumer to Chrysler's planning. Her charter includes helping Chrysler executives reassess marketing strategies.

Laurel Cutler: Chrysler's futurist/marketing guru SANTA FABIO

"I honestly feel that my value to this corporation is that I am the most 'other' individual that they can imagine," said Cutler, who received her first driver's license just three years ago.

"I'm not a car man. I'm not a finance man. I'm not even a man," laughs Cutler.

Cutler spends two to four days a week on Chrysler business at her office at Chrysler's Highland Park, Mich., headquarters or the New York office of her long-time employer, marketing consultancy FCB/Leber Katz Partners. She continues to serve as vice chairman of Leber Katz and works with its clients including Campbell Soup, Citicorp, RJR Nabisco and Marriott Corp.

Her outsider's perspective has won praise from Chrysler's top management. She is said to have good credibility with Chrysler Chairman Lee Iacocca.

"She brings a perspective outside our tunnel vision," said Bennett Bidwell, chairman of Chrysler Motors and the executive to whom Cutler reports.

see CUTLER, page 77

200 U.S. dealers to visit Porsche

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

Bowler Branitzki

GENEVA — Porsche Cars North America will bring most of its American dealers to Germany next week — a first for the company.

The 200 dealers will come away with a 911 Carrera 4 or 944 convertible to launch the cars in the United States.

Brian Bowler, president and chief executive officer of Porsche Cars North America, said the dealers will take home either the new four-wheel-drive Carrera 4 or the cabrio.

Meanwhile, Bowler said the number of Porsche outlets in the United States is edging downward as company officials in Germany believe it must. But Porsche AG Chairman Heinz Branitzki vowed in an interview here that there is no master plan to reduce the dealer network or define how many dealers are needed.

"We will not touch the dealer body," he said. "What we will do is tell them that everybody is in the business to make profits and we have to figure out if the Porsche business under the new conditions is profitable or not. Then it is the dealer's decision."

The network numbered 322 outlets on Jan. 1, 1987, and 317 on Jan. 1, 1988.

"Since I joined the company in November, we've gone down from 309 dealers to 299," said Bowler. "So some dealers are arriving at those conclusions now. I'm not going to say whether that rate is satisfactory or not. But dealers are businessmen, they're not in there because of some kind of love affair."

"It makes no sense for them to be in the business if their volume isn't at least 80 new cars a year," Branitzki said. "It should be 100 or 120, but at least 80. If it is less than 80, a dealer can't make any profits, forget it.

"With, say, 15,000 cars, you are close to 200 dealers," he said. "But, again, we don't aim to touch things where our main discussions would then be with lawyers. Whatever the figure will be, it will be."

With U.S. volume now half what it was three years ago, analysts feel Porsche could do with a smaller dealer network. But Porsche says it has no plan to systematically reduce the number. Following its disastrous 1984 proposal to circumvent the franchise system by making U.S. dealers sales agents, the German manufacturer is anxious not to rile the dealer body again.

Instead, Porsche says it is encouraging dealers to evaluate the profitability of their franchises. Company officials will not even say what size network they believe is appropriate.

Porsche is drastically reducing the size of its dealer network in Germany, but Branitzki said conditions there aren't comparable to those in the United States.

"In a smaller country, you can tell a customer that the next dealer is 30 kilometers away," he said. "But you can't tell a customer in the States that the next dealer is located 500 miles away."

Past visits by U.S. dealers to the Porsche factory in Stuttgart-Zuffenhausen have usually been piggybacked onto Audi trips, thus next week's visit is unprecedented.

"We're taking our American dealers to Germany in the first week of April; 200 of them are coming to the factory and it's the first time that Porsche dealers of America have ever made this kind of visit," said Bowler.

"Part of the program is that they will have a choice of taking home a Carrera 4 or a 944 convertible. So when they come back to the United States with those cars, that is effectively the launch of the product in our market."

Bowler said the Carrera 4 and 944 convertible should begin arriving in the United States in mid-to-late April.

Last year, sales in the United States fell 33 percent to 15,737, and Bowler predicted a further decline in 1989. "We're talking now

see PORSCHE, page 81

Ford, converters grapple with seat rules

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Recreational Vehicle Industry Association officials said they were encouraged by a meeting with Ford Motor Co. officials late last week in which the company said it will try to continue supplying seat-delete vans to converters after new federal safety standards take effect.

Ford had originally said that it was unlikely that van converters would be able to purchase seat-delete vans after the new standards take effect in 1992. However, the company has changed its position and is exploring alternatives, such as providing to converters front seats that would meet the standards.

Beginning in the 1992 model year, NHTSA will expand Federal Motor Vehicle Safety Standard 208 — which before applied only to automobiles — to vans with curb weights of less than 5,500 pounds. Among other requirements, Standard 208 mandates how much head injury a person can sustain in a 30 mph frontal impact.

All minivans and many full-size vans will have to score below a 1,000-point rating under NHTSA's head-injury criteria. The front seats in a majority of van conversions will be affected.

Seats are a significant part of the upfit package that converters install in vans.

The new ruling will still allow the industry to install captain's chairs, but they will no longer be swivel seats. Converters are concerned about the standard's affect on seat prices and the aesthetics of matching front seats to rear.

There are still many unknowns facing converters, such as the empty weights of Ford's 1992-model vans. The company plans a major restyling of its full-size vans for the 1992 model year.

One RVIA official said that the association will seek a meeting with NHTSA to see if it can get relief for its converter members from the new standard.

The association will seek a lower weight figure for vehicles affected by the standard. Lowering the limit to 5,000 pounds curb weight, for example, would exempt a larger number of full-sized vans.

The RVIA also said it is still seeking guidelines from the auto companies on how to build conversions to meet the standard. So far, the car companies haven't been able to supply them. It will also bring this up at its meeting with NHTSA.

Ford told RVIA officials it would like to extend the company's Quality Vehicle Modifier program to van conversions and motor homes. The program now monitors the quality of other commercial vehicles built by second-stage manufacturers on Ford chassis.

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NHTSA bill requires stiff vehicle-safety rules

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — A Senate bill authorizing NHTSA to operate through 1991 includes sweeping changes and a host of new safety requirements historically opposed by the auto industry.

The legislation is more stringent than a House bill that died in subcommittee during the last Congress. The Senate version of that bill, however, was approved.

This new bill, introduced by Sen. Richard Bryan, D-Nev., authorizes new safety requirements and funding for NHTSA, setting a ceiling for agency spending at $65.4 million in fiscal 1990 and $68.4 million in fiscal 1991. Only by passing a reauthorization bill, such as Bryan's, can Congress revise an agency's duties, as in the case of NHTSA, and force it to mandate additional safety features onto cars. NHTSA has not had a reauthorization since 1985 though Congress has continued to appropriate money annually.

Although more than a dozen auto safety bills have been introduced in Congress, none are of the magnitude of Bryan's bill, which calls for NHTSA's reauthorization. Bryan is a freshman senator and former Nevada governor.

Bryan's bill calls for:

- Five-mph bumpers.
- Rollover standards for multipurpose vehicles.
- Reinstituting a requirement that petitions for the reduction of the corporate average fuel economy be submitted 24 months prior to applicable model years.

The bill also would give consumer groups the option of appealing to a court NHTSA's denial of petitions to begin a defect investigations. Currently, only automakers can obtain a judicial review of a recall or an investigation.

The bill would require NHTSA to speed up work already under way in several areas and set timetables, specifically:

- Upgrade side-impact protection in passenger cars within one year of the bill's adoption and within two years for multipurpose vehicles.
- Establish roof crush standards, requirements for head restraints, passive restraints, high-mount stop lamps and rollover standards for multipurpose vehicles, light trucks and vans.
- Reconsider vehicle classifications.
- Require rear shoulder belts in all passenger vehicles (except convertibles) manufactured after Sept. 1, 1989, and in all multipurpose vehicles and convertibles made after Sept. 1, 1990.
- Study the feasibility of providing information that compares the crashworthiness of vehicles and labeling vehicles with information about the bumper's capacity to withstand impact.

The Senate commerce committee will hold a hearing on the bill April 5.

Joan Claybrook, a former NHTSA administrator who now heads Public Citizen, a consumer group, said the bill is the strongest proposed legislation since the early 1970s when sweeping safety regulations were passed.

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Dec. 1987	Dec. 1988	Jan. 1987-Dec. 1987	Jan. 1988-Dec. 1988
Japan	Export	656	2,440	4,721	21,720
	Import	219,217	216,717	2,417,509	2,123,051
Canada	Export	41,637	40,493	560,453	616,910
	Import	92,719	68,887	926,927	1,191,357
West Germany	Import	37,410	34,125	377,542	264,249
South Korea	Import	46,721	44,434	399,856	455,741
Sweden	Import	11,422	10,469	138,565	108,006
Mexico	Import	10,116	12,069	126,266	148,065
Yugoslavia	Import	4,027	0	49,445	28,43:
United Kingdom	Import	4,575	2,854	50,059	31,636
Italy	Import	253	638	8,648	6,053
France	Import	636	616	26,707	15,990
Brazil	Import	7,900	2,922	48,169	59,401
Others	Export	6,882	16,555	66,235	140,343
	Import	2,543	1,940	19,317	18,233
Car total	Export	49,175	59,488	631,409	778,973
	Import	437,539	415,671	4,589,010	4,450,213
TRADE BALANCE		(388,364)	(356,183)	(3,957,601)	(3,671,240)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	14,975	10,200	163,842	152,686
	Import	25,918	33,589	226,538	299,351
Japan	Import	55,192	46,381	772,758	548,356
Mexico	Import	0	0	11,296	29
Others	Export	1,362	3,098	16,617	31,914
	Import	52	6	486	2,536
Truck total	Export	16,337	13,298	180,460	184,600
	Import	81,099	79,796	1,011,078	850,272
Trade balance		(64,762)	(66,498)	(830,618)	(665,672)
Car and truck total	Export	65,512	72,786	811,869	963,573
	Import	518,638	495,467	5,600,088	5,300,485
TRADE BALANCE		(453,126)	(422,681)	(4,788,219)	(4,336,912)

Complied by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Dec. 1987	Dec. 1988	Jan. 1987-Dec. 1987	Jan. 1988-Dec. 1988
Japan	Export	$ 8,973	$ 30,600	$ 72,290	$ 271,412
	Import	1,923,355	2,045,165	21,304,737	19,877,699
Canada	Export	427,401	432,393	5,727,152	6,259,139
	Import	1,023,194	997,530	10,185,353	13,255,226
West Germany	Import	778,168	790,566	8,901,850	6,441,720
South Korea	Import	244,496	266,930	2,061,457	2,486,510
Sweden	Import	179,238	167,046	1,941,488	1,698,197
Mexico	Import	86,475	103,630	1,176,374	1,270,947
Yugoslavia	Import	10,210	0	126,242	75,794
United Kingdom	Import	136,609	97,104	1,193,837	941,406
Italy	Import	10,899	19,713	177,965	152,152
France	Import	8,473	7,250	255,998	171,178
Brazil	Import	41,511	17,034	239,201	341,274
Others	Export	90,198	201,813	889,772	1,781,216
	Import	35,074	32,165	293,501	292,592
Car total	Export	526,542	664,806	6,689,214	8,311,767
	Import	4,477,704	4,544,134	47,858,003	47,004,697
Trade balance		(3,951,162)	(3,879,328)	(41,168,789)	(38,692,930)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	$ 156,005	$ 108,586	$ 1,595,619	$ 1,543,344
	Import	228,476	402,264	2,231,020	3,400,302
Japan	Import	326,419	302,095	4,278,125	3,241,138
Mexico	Import	212	617	90,089	9,428
Others	Export	14,548	33,409	207,113	39,296
	Import	11,393	2,557	71,946	143,291
Truck total	Export	170,553	141,993	1,802,732	1,936,310
	Import	626,500	707,533	6,671,181	6,794,160
Trade balance		(455,947)	(565,540)	(4,868,449)	(4,857,850)
Car and truck total	Export	697,095	806,799	8,491,946	10,248,077
	Import	5,104,204	5,251,667	54,529,184	53,798,857
VEHICLE TRADE BALANCE		(4,407,109)	(4,444,868)	(46,037,238)	(43,550,780)
TOTAL U.S. Merchandise trade (customs value)	Export	24,152,500	29,192,000	254,121,900	322,224,100
	Import	37,949,700	41,085,800	424,442,100	459,564,800
TRADE BALANCE		(13,797,200)	(11,893,800)	(170,320,200)	(137,340,300)

Vehicle trade deficit declines 5.4% in '88

WASHINGTON — The U.S. automotive trade deficit by value for passenger cars and light trucks narrowed 5.4 percent in 1988, the result of an 18.69 percent increase in exports for the year and a slight decline in imports.

Canadian imports prevented further improvement in the U.S. trade imbalance.

Canadian passenger-car imports by value were up 30.1 percent for the year, while Canadian truck imports by value surged ahead 52.4 percent.

Shipments from most non-North American importers were down for calendar 1988. The exception was imports from Korea, Mexico and Brazil.

The value of vehicle exports for all of 1988 was $10.25 billion, compared with $8.49 billion in calendar 1987.

Import value in 1988 fell 1.3 percent to $53.8 billion. Imports in 1987 were valued at $54.53 billion.

The year-end figures show that December's trade deficit by value for passenger cars and light trucks increased 0.9 percent. December's increase follows a 0.7 percent increase in November.

For the month of December, U.S. Commerce Department figures show a trade deficit for passenger cars and light trucks of $4.44 billion, compared with December 1987's figure of $4.41 billion.

Total car and truck imports had a value of $5.25 billion during the month, while monthly car and truck exports were valued at $806.8 million.

Passenger-car exports reached 59,488 vehicles with an estimated value of $664.8 million in December.

Light-truck exports for the month totaled 13,298 vehicles with an estimated value of $142.0 million.

Passenger-car exports were up 272 percent to Japan and 140.6 percent to nations labeled "others" by the Commerce Department.

On the import side for the month, Japan showed a slight downturn in the number of cars imported to the United States, but the value of these shipments increased. Both the value and quantity of Japanese truck imports declined, however.

There were 495,467 finished vehicles imported to the United States in December 1988, compared with 518,638 vehicles in December 1987.

Imports of passenger cars reached 415,671 units for the month with a value of $4.54 billion.

Light-truck imports totaled 79,796 units with a value of $707.5 million.

The value of imported trucks increased 12.9 percent from the year-earlier period, while shipments declined 1.6 percent.

Japanese-car imports dropped 1.1 percent for the month but the value of shipments increased 6.3 percent.

Japanese truck imports were off 16 percent and their value was down 7.5 percent.

Japan shipped 216,717 cars to the United States in December, down from 219,217 a year earlier. Truck shipments were 46,381 units, down from 55,192 units in December 1987.

Also shipping fewer cars in November were: West Germany, off 8.8 percent; Sweden, 8.3 percent; United Kingdom, 37.6 percent; France, 3.1 percent; and Brazil, 63 percent.

No cars were shipped from Yugoslavia last December. In December 1987, 4,027 cars were shipped to the United States.

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AROUND THE WORLD

European sales continue to grow

Gains for February, 2 months belie predictions of '89 decline

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — European new-car sales continued to rise in February, further postponing the expected downturn in the market.

Sales in 17 Western European countries rose 7.5 percent in February after an 11.5 jump in January, according to industry estimates compiled by Automotive News.

Industry executives and analysts had forecast a decline of 3 to 5 percent in 1989 after a record 13 million car sales in 1988. Most still expect the market to weaken this year, but probably not until the second half, which means the 1989 calendar year total could set another record.

European sales for the first two months of 1989 totaled 2,257,200, an increase of 8.8 percent over 1988. Volume was 1,075,800 in February.

Sales in each of the five largest European markets — Italy, the United Kingdom, West Germany, France and Spain — grew in January and February.

Fiat Auto ranked first among manufacturers through the first two months with 16.2 percent of the market. Group sales, including Lancia and Alfa Romeo, spurted 11.3 percent in February to 175,600 and increased 5.9 percent for the first two months to 365,600.

Alfa Romeo, with larger supplies of its 164 sedan, upped sales 12.4 percent for the two months to 39,400 units, good for 1.7 percent of the European market.

Fiat is riding the crest of the Italian market, which ranked first in Europe for the first two months. Fiat brands controlled nearly 60 percent of the home market.

In second place in Europe was Peugeot S.A., which last year finished third behind Volkswagen and Fiat. Sales for Peugeot S.A., including the Peugeot and Citroen divisions, rose 18.7 percent in January and February to 311,100 units, equal to a 13.8 percent market share. Sales rose nearly 12 percent to 142,100 in February.

Automobiles Peugeot climbed 15.6 percent to 89,600 in February, with gains of 10.5 percent to 40,300 in France, 21 percent to 10,500 in Italy, 25 percent to 10,200 in the United Kingdom and 13 percent to 8,600 in Germany.

Volkswagen AG, which edged Fiat for first place in Europe in 1988 according to most estimates, ranked third after two months of 1989. Group share, including VW, Audi and Seat, was 13.6 percent on sales of 306,200, an increase of 8.1 percent. In February, the VW brands were up 9.3 percent to 152,700.

Ford of Europe was fourth with an 11.3 percent share on sales of 255,600 cars, an increase of 5.8 percent. General Motors was next with 251,000 units, an increase of 14.5 percent and an 11.1 percent share.

Renault rounded out Europe's six volume makers with a 10.2 percent share on sales of 229,200, a 7.7 percent improvement.

Mercedes-Benz sales were down 6.1 percent in the first two months of 1989 to 73,500 as it suffered the effects of a declining diesel market in Germany and competition from arch-rival BMW.

Mercedes declined 14.2 percent to 20,300 in February in Germany and was off 9.9 percent for the year to 42,400 in its home market.

Official registration statistics for January in Germany (February registrations aren't available yet) indicated declines for Mercedes in both the mid-sized W124 and compact 190 ranges, while BMW's 3- and 5-series sales both improved over January, 1988.

The W124 slipped from 12,594 in January 1988 to 11,234, while the 190 dropped from 8,669 to 8,313. The 3 series rose 54 percent to 7,028 in January and 5-series sales totaled 7,042 compared to 1,715 in January 1988, when the new version had not yet been introduced.

However, the Mercedes S-class, which fell 18 percent in Germany last year, was up 6 percent in January to 1,382. BMW 7-series sales totaled 1,429 in Germany during January, three units less than in 1988.

BMW remained the fastest-growing marque in Europe. Sales were up 35.4 percent in the first two months to 64,600 and the February increase was nearly 30 percent to 29,400.

In its home market, official German statistics indicate a 99.6 percent gain for BMW in January on the strength of the new 5, with sales hitting 15,624 vs. 7,827 for 1988. Unofficial estimates of the German market in February show a 30 percent gain to 14,500 and a year-to-date jump of 58.4 percent to 30,100 units.

Japanese makers continued to stay well within the overall growth of the European market. Combined sales rose 3.7 percent in February to 107,200 and were up 5.4 percent for two months at 222,500. That gave Japanese carmakers 9.9 percent of European new-car sales.

Nissan, the top Japanese make in Europe, gained ground in the United Kingdom, where it builds Bluebird sedans, and in West Germany. Nissan's British sales were up 25 percent to 21,700 for January-February, and it's German sales increased 49 percent to 12,400.

Across Europe, Nissan sales rose 13.2 percent to 61,500, good for 2.7 percent of the market.

Italy ranked first among national markets after two months with sales of 433,900, a gain of 3.6 percent. Sales climbed 12 percent in February to 205,000.

The United Kingdom followed with 410,100, an increase of 9.2 percent with February sales up 4.8 percent to 189,900 units.

Germany, which in recent years has not picked up steam until spring, was 15.2 percent over last year at 403,300 after two months. German sales grew 9 percent in February to 215,500, according to the unofficial estimates.

French sales were up 17.8 percent for the year to 377,800 following a 10 percent rise to 175,900 in February.

After three red-hot years, Spain cooled off in the first two months of 1989. Sales rose 3.2 percent in February to 84,000 and increased 4.9 percent for the year to 169,800. The slower growth followed a three-year span during which car sales in Spain nearly doubled. The surge included a 15 percent rise to 1.06 million units last year.

EUROPEAN SALES

Manufacturer	2 Mos. 1989	1989 share*	2 mos. 1988	Volume Change '89 vs. '88
Fiat Group**	365,600	16.2	345,100	+ 5.9
PSA***	311,100	13.8	262,100	+18.7
VW-Audi-Seat	306,200	13.6	283,200	+ 8.1
Ford	255,600	11.3	241,500	+ 5.8
General Motors****	251,000	11.1	219,200	+14.5
Renault	229,200	10.2	212,900	+ 7.7
Mercedes-Benz	73,500	3.3	78,300	- 6.1
Austin Rover	73,000	3.2	76,500	- 4.6
BMW	64,600	2.9	47,700	+35.4
Nissan	61,500	2.7	54,300	+13.2
Toyota	49,400	2.2	50,900	- 2.9
Volvo	48,200	2.1	43,100	+11.8
Mazda	35,500	1.6	36,200	- 2.1
Mitsubishi	24,900	1.1	20,600	+21.2
Lada	19,600	0.9	18,400	+ 6.7
Others	88,300	3.9	84,200	+ 4.9
Total	2,257,200	100.0	2,074,200	+ 8.8

* Does not add to 100 because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	2 months 1989	Pct. Change vs. 1988
Italy	433,900	+ 3.6
United Kingdom	410,100	+ 9.2
West Germany	403,300	+15.2
France	377,800	+17.8
Spain	169,800	+ 4.9
Netherlands	120,100	- 3.2
Belgium-Luxembourg	85,000	- 2.3
Switzerland	51,400	+16.7
Sweden	45,000	- 6.3
Austria	41,100	+21.6
Finland	38,000	+21.0
Portugal	33,300	+30.5
Ireland	16,800	+29.7
Denmark	13,000	-21.4
Greece	11,000	+23.6
Norway	7,600	-48.7
Total	2,257,200	+ 8.8

American buys rights to Irish sports car

Aidan O'Sullivan
SPECIAL CORRESPONDENT

DUBLIN, Ireland — The manufacturing rights for the TMC Costin, the Irish-made sportster, have been sold to an unnamed individual in Atlantic City, N.J. He is reported to be without previous experience in either car making or running a dealership, and plans to restart production in Atlantic City, using a V-8 engine, far larger than the mid-sized family sedan engines used when the car was made in Ireland.

The Atlantic City buyer had been negotiating the deal with Pete and Sean Thompson, prior to the collapse of the brothers' company into liquidation at the end of last year. The deal covers U.S. and Canadian rights only, and the other rights are for sale by the liquidator, Rory Leonard, a Dublin accountant.

The sale price has not been disclosed.

The future of the new model that the Thompsons had on the drawing boards is less certain. Like the previous 2+2, it was designed by Frank Costin, the former Lotus designer, who had a small stakeholding in the collapsed company.

The Irish government had agreed to put up non-returnable grants of $600,000 to help the new-model project along. Those grants may still be available to the new buyer, provided he guarantees the car will be built in Ireland creating jobs.

The Thompsons have said they will not be going into automotive assembly jobs elsewhere. Pete and Sean Thompson are starting a new racing car promotion company in Britain, while accountant Val Thompson has found work outside the industry.

Only 10 years ago the following companies all had small Irish assembly operations, which have now closed: Ford, General Motors, Mazda, Daihatsu, Nissan, Toyota, Fiat and Peugeot.

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AUCTION DATES

Chrysler

March 28 — Florida Auto Auction, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Nashville Auto Auction, Nashville, Tenn.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Greensboro Auto Auction, Greensboro, N.C.

March 29 — A.D.E. of Birmingham, Birmingham, Ala., and Butler Auto Auction, Gibsonia, Pa.

March 30 — Northway Exchange, Clifton Park, N.Y.; Apteo Auto Auction, Taylor, Mich.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Southwest Auto Auction, Phoenix, Ariz.; Ark-La-Tex Auto Auction, Shreveport, La.; and Amarillo Auto Auction, Amarillo, Texas.

Ford Motor Co.

March 28 — Greater Chicago Auto Auction, Chicago; and Bay Cities Auto Auction, Hayward, Calif.

March 29 — Northway Auto Auction, Clifton Park, N.Y.; and Indianapolis Auto Auction, Indianapolis.

General Motors

March 28 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

March 29 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

March 30 — Mid Ark Auto Auction, North Little Rock, Ark.; Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

March 31 — Butler Auto Auction, Gibsonia, Pa.

Volvo

April 12 — Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

March 89	$6,045
Month ago	$5,745
Year ago	$5,933

Model Breakdown
Auction Averages

	MAR 1989	FEB 1988	JAN 1988
1989 ...	$13,243	$13,118	$12,109
1988 ...	$8,538	$8,235	$8,612
1987 ...	$7,495	$7,289	$7,136
1986 ...	$5,903	$6,014	$5,944
1985 ...	$5,062	$4,764	$4,873
1984 ...	$3,884	$3,840	$3,760
1983 ...	$2,819	$2,683	$2,795
1982 ...	$2,486	$2,187	$2,246
Overall Average	$6,045	$5,678	$5,545

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Attorneys general adopt guidelines for rental-car ads

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — The National Association of Attorneys General has adopted a wide range of guidelines to curb what it calls misleading car-rental advertising.

Included are recommendations to end abuses concerning collision damage waivers.

The guidelines are the result of a year-long study by the association's special task force. The guidelines are interpretations of state laws governing unfair and deceptive trade practices and allow each attorney general to enforce his own state's law as he sees fit.

The Federal Trade Commission, although generally approving of the association's guidelines, expressed some concern.

The group's guidelines state:

- Advertisements listing prices should show clearly and conspicuously all key restrictions and conditions of rental, such as any advance reservation or advance payment, the cost of a collision damage waiver, any geographic limitations and any time restrictions on the advertised price.
- Mandatory charges, for example, fuel surcharges, should be included in the advertised price of the rental vehicle.
- Unless the advertisement says supplies are limited, there should be enough vehicles to meet reasonably expected demand.

In the report, the task force stressed the need for full and clear disclosure of terms and conditions as they relate to collision damage waivers and other fees.

It found most persons unprepared to decide whether to skip the waiver or risk raising their payments by as much as 30 percent. It also said some rental agents, who apparently were trying to earn commissions, urged consumers to buy unneeded collision damage waivers or face liability for the value of the entire vehicle.

The task force recommended several changes in state laws:

- Outlawing sales of collision damage waivers by banning the practice of charging a rental-car customer for accidental damage or theft of a vehicle.
- Limiting liability to $500 or less, which may be covered by buying a collision damage waiver.
- Allowing unlimited consumer liability for any loss resulting from consumer negligence so long as the rental firm offers the choice of buying collision damage waivers and so long as the cost is approved by the state's insurance regulator.

The FTC is concerned that the guidelines' stringent requirement on fee disclosure may have an adverse effect on price advertising, which would hurt rather than help the consumer. Because of the differences in charges assessed by franchisees and in surcharges imposed by airports, it might be difficult to build those fees into national price advertising. That may result in reduced price promotion and lead to higher prices.

The FTC is also concerned about banning a distinct collision damage waiver, which could result in "bundling" a charge into each rental transaction, restricting consumer choice.

For example, it noted, when Illinois banned collision waivers Jan. 1, Hertz raised prices 8 percent there. Two other companies also raised prices in Illinois but not elsewhere.

That creates inequity, the FTC said. Some customers have to bear greater costs than others because a state law requires shifting accident and theft losses to the rental companies.

RENTAL

FROM PAGE 1

thereby taking Budget private. Ford will provide about $300 million in cash and will receive nonvoting stock in the company.

Last fall, Fidelco, a New Jersey-based investment firm, National's management, and GM acquired the Paine Webber Group's stake in National. Finnie pegged GM's ownership at approximately 45 percent, for which it invested an estimated $250 million to $300 million.

Each of the four rental giants has agreed to purchase about 70 percent — or more — of its fleet from its automaker-partner, said Budget Chairman Clifton E. Haley. National buys more than 75 percent of its fleet from GM, said National Executive Vice President Robert J. McKenna.

Chrysler Corp. hasn't linked itself financially with a rental company but has hefty sales to Thrifty Rent-a-Car System Corp., Plano, Texas, and sells to Avis and Budget, among others.

"Chrysler has looked at the rental-car market and said there is enough business left for it that's not controlled," said Budget's Haley.

Although Japanese automakers have expressed an interest in buying into U.S. car-rental companies, the likelihood of them gaining ownership in the industry is slim, say those in the industry.

"Japanese automakers probably wouldn't start a car-rental company of their own because that's not their style," Haley said.

"If they want to enter the industry in a partnership arrangement and want volume, then they have to deal with the Big 4, which already have affiliations with domestic automakers."

He said the number of Japanese and European vehicles in the rental-car market is less than 5 percent, but he predicted Japanese penetration will increase if retail sales soften.

"Europeans don't have the dealer network here for the volume of vehicles needed in the rental-car market," said Haley.

The U.S. rental-car market was $8 billion in 1988, and for the last five years has been growing at about 13 percent compounded annually, according to Finnie.

Rental companies are constantly churning their fleets selling older cars and replacing them with new ones under attractive incentives offered by the automakers. That is one of the reasons for the apparent discrepancy between industry revenues and vehicle purchases.

"Powerful economic and demographic trends, including low airfares, increased business travel and two-earner couples taking more frequent vacations, imply the continued growth of the car-rental market," he said.

Further fueling the growth of the industry are advantageous fleet purchasing deals stemming from overcapacity in the car manufacturing industry, he said.

For companies purchasing 5,000 vehicles or more, the auto companies offer volume discounts, rebates, reimbursement for car-rental advertisements featuring a specific manufacturer, guaranteed resale values of vehicles and fleet financing.

Finnie predicts the industry will grow at the rate of 10 percent annually during the next five years.

There are two types of car-rental companies — general use and replacement.

General use comprises 80 percent of the market, renting to individuals for business (called commercial business) and leisure travel. Replacement companies — an estimated $1.7 billion market in 1987 with 300,000 vehicles in their fleets — rent to customers whose vehicles have been stolen or damaged.

"Most commercial rentals — about 95 percent — are provided by companies located on-airport," said Finnie. "That means those companies having rental counters in the airport terminal and vehicle parking slots on the airport premises."

The industry is split between those companies that are on-airport, which means they have counters and lots on the premises of the airport, and those companies that are off-airport like Thrifty or Alamo.

Off-airport operators have taken market share from their larger competitors by offering substantially lower rental rates and by marketing those rates aggressively, said Finnie.

Their advantage is that that they are not required to pay a portion of their revenues — roughly 10 percent for on-airport companies — to local airport authorities, although some airports are trying to charge them an access fee.

The leisure segment is growing twice as fast as the business segment, he said.

"There is a trend toward 60 percent business and 40 percent personal use because of changing lifestyles," said Budget's Haley.

"More people are deferring childbearing, and there are more two-wage-earner households where people are taking more frequent but shorter vacations," he added.

Fleet sizes at the Big 4 have been growing about 7 percent annually for the last few years and are expected to continue to grow at that rate barring recession.

Finnie also noted a reduction in market share of the Big 4 rental companies; together they have lost 20 percentage points to smaller competitors since 1982.

According to Finnie, the Big 4's share of the U.S. airport car-rental market, based on systemwide revenues, was 97 percent in 1982 and 77 percent in 1987.

He said the reason for their loss in market share is the boom in the leisure segment, as travelers seek lower prices from off-airport firms like Alamo Rent a Car Corp.

Program cars — vehicles sold to the rental companies then repurchased by the automakers at a guaranteed depreciation price — are expected to remain an incentive for the rental companies.

Ford offers programs in which 70 percent of a rental fleet's Fords are repurchased and 30 percent are "at-risk," meaning the car-rental companies must absorb any unexpected depreciation, Budget's Haley said.

National's McKenna said GM programs were 100 percent buyback in 1988 but that has changed to 75 percent repurchase and 25 percent at-risk for 1989.

INDUSTRIES IN TRANSITION

Date	Buyers	Price	Share Purchased
National Car Rental Systems			
1968	Household International	n/a	100%
1986	Paine Webber, Fidelco Corp., management	$459 million[C]	100%
1988	Fidelco, management	$275 million	n/a[D]
1988	General Motors	$250 million $300 million[B]	45%[B]
Avis			
1983	Esmark	n/a	100%
1984	Beatrice	n/a	100%
1986	Kohlberg Kravis	n/a	100%
1986	Wesray Capital	$1.6 billion[A]	100%
1987	Employees	$1.8 billion[A]	100%
1989	General Motors	n/a	25%[B]
Budget Rent a Car Corp.			
1968	TransAmerica	n/a	100%
1986	Gibbons, Green, Van Amerongen	$203 million	100%
1987	Public offering	$155 million	29%
1988-9	Beech Holdings Corp. (Ford; Gibbons, Green; management)	$333 million	100%
Hertz Corp.			
1967	RCA Corp.	n/a	100%
1985	UAL Inc.	$587 million	100%
1987	Ford, management	$1.3 billion	100%
1988	AB Volvo	$100 million	20%

NOTES: A — Includes assumed debt
B — Estimate
C — Does not include assumed debt
D — For Paine Webber share only
SOURCES: Rental companies and Alex. Brown & Sons

YUGO

FROM PAGE 1

Kole, then acting chief executive officer of Yugo, testified in court last month.

John A. Spiech, the new president and chief executive officer of Yugo America, acknowledged the settlement will "cost some money, but we feel we have to protect the franchised dealer."

Spiech also announced last week that Yugo America will offer its dealers a $750 rebate on retail sales from inventory. That dealer incentive is being applied retroactively to retail sales from March 1 and will run through May 15. Also until May 15, the company will offer dealer discounts up to $1,500 off the wholesale price of Yugos ordered by dealers, depending on the model.

Zavodi Crvena Zastava, the Yugoslavian manufacturer of the Yugo, is footing the bill to jump-start retail sales, Spiech said.

Spiech also announced that once Yugo America satisfies its debts to Manufacturers Hanover Trust Co., which has a lien on more than 1,000 cars, Yugo America will no longer require its dealers to post letters of credit as a prerequisite to getting or keeping a franchise.

Spiech

Spiech said dealers had complained that being required to provide an irrevocable, $300,000 letter of credit that could be liquidated at any time in return for a shipment of possibly unwanted Yugos was a "sword of Damocles" hanging over their heads.

"Once the Manny Hanny debt is finished, I see no need for letters of credit from anybody," Spiech said. "I want to remove that sword of Damocles."

Commisa earlier ruled in Yugo America's favor in the Norauto matter, refusing to allow Norauto to sell the cars pending the course of Yugo America's reorganization in Bankruptcy Court.

The judge ruled that he found "substantial merit" in Yugo America's argument that the Norauto transaction was a "financing arrangement" subject to the court, and not an outright sale.

Crain Communications files trademark suit

DETROIT — Crain Communications, publisher of Automotive News, filed a trademark infringement suit against Fairchild Publications, which recently began publishing Automotive Electronic News.

The suit charges that Automotive Electronic News infringes on Crain's federally registered trademark by use of a name almost identical to Automotive News; its common page size, layout and format; and distribution to the same audience as Automotive News. The suit claims these actions will cause confusion in the marketplace.

The suit, filed Thursday in U.S. District Court in Detroit, seeks an injunction with punitive and exemplary damages against Fairchild.

Fairchild has offices in Troy, Mich.

ECOLOGY

FROM PAGE 1

"Ten years is not really 10 years, because we are already designing cars for the 1994 model year," said Gerald Stofflet, assistant director of automotive emission control on General Motors's environmental activity staff.

Washington insiders believe that some form of legislation to stabilize global warming will pass into law during this Congress, which ends in 1990. By the end of next Congress, many government and industry officials predict fuel-economy measures will surely pass into law.

This comes at a time when manufacturers are having trouble selling four-cylinder cars and demand is higher for larger cars, passenger vans and trucks. Compact vans and light trucks, which account for one of every three vehicles sold in the United States, are certified under a much lower truck CAFE standard of 21 mpg.

Lutz said small cars powered by four-cylinder engines are "almost sales proof" as consumers demand V-6s, V-8s and even a V-10, as envisioned for the Dodge Viper that Chrysler is showing at the New York show.

Analyst George Peterson, president of AutoPacific Group in Newport Beach, Calif., said if a 40 mpg CAFE were adopted, "automakers, especially domestics, would have to make dramatic changes. Cars would have to be much more fuel efficient, more more aerodynamic, much lighter."

Dealing with higher CAFE would be a much more dramatic problem than tighter tailpipe emissions, Peterson noted.

"Tighter emissions could be met at the expense of driveability and fuel economy, but it would not mean changing the size of the vehicle fleet. But fuel efficiency would force a complete downsizing of the entire fleet," he said.

"Scientific consensus leans to the greenhouse effect" as a legitimate concern that causes global warming, said a spokesman for the Senate subcommittee on environmental protection. "But how fast the greenhouse effect will alter the temperature and the climate are in question. The heat of the summer will play a part in the (legislative) decisions that are made, whether they will occur in this Congress or the next."

The greenhouse effect is a phenomenon that is said to occur when carbon dioxide, nitrogen oxides and other gases absorb and reflect heat radiating from the earth's surface. Some theories say the potential exists for a significant increase in the earth's temperature — from 1.5 to 8.0 degrees centigrade — during the next 50 years.

Cars and trucks are said to account for about 30 percent of greenhouse gas emissions, according to officials connected with global warming legislation.

Much of the proposed legislation in Congress aims to reduce levels of carbon dioxide, the predominant greenhouse gas in the atmosphere. Carbon dioxide is produced whenever fossil fuels are burned. Trees absorb carbon dioxide and releasing oxygen in return. Taken to its simplest form, the proposed legislation aims to burn less fossil fuel, develop alternative power supplies and plant more trees.

Ironically, automakers have been striving for 20 or so years to build cars that emitted water vapor and carbon dioxide rather than more harmful hydrocarbons, carbon monoxide, nitrogen oxides and lead.

Donald Zinger, EPA assistant director of the office of mobile sources said, "Carbon dioxide comes from any combustion. It is not a pollutant, occurs naturally and has been looked at as something you like. But carbon dioxide is a greenhouse gas."

"People working on global warming say the way you're going to reduce carbon dioxide is to conserve energy — that certainly is one way to do it — and that is putting pressure on corporate average fuel economy standards," said Richard Wilson, director of the EPA's office of mobile sources.

"CAFE itself is a mechanism. There are other ways of energy conservation. . . . You could have a carbon dioxide emissions requirement. You could have a gasoline tax and use the price of gasoline to reduce demand," he added.

None of the current legislative proposals, including EPA's own preliminary study, however, appear to take that approach.

Chrysler's Lutz said those bills would increase CAFE to a level "ranging from the very difficult to the frankly absolutely utopian and infeasible."

"Yet, that same government is going to continue to be very reluctant to raise the federal tax on motor fuels," he said. "It is patently absurd to permit motor fuels to be sold at a price that, adjusted for inflation, is cheaper than in 1971.

"I don't see how manufacturers can make the increased CAFE if the federal government doesn't make up its mind to raise the gas tax," Lutz said.

Global warming legislation that includes fuel-economy measures has been proposed in the House of Representatives by Rep. Claudine Schneider, R-R.I., and in the Senate by Sen. Timothy Wirth, D-Colo., Sen. Albert Gore, D-Tenn. and recently by Sen. Max Baucus, D-Mont., chairman of the Environmental Protection Subcommittee.

In addition, Massachusetts Senators John F. Kerry and Edward M. Kennedy, both Democrats, have sponsored a acid rain bill that includes fuel-economy standards around 45 mpg by 2000.

Support for global warming legislation is apparently bipartisan.

Michael Totten, legislative aid for Schneider, said the Congresswoman's bill is a policy measure that includes many legislative ideas that could be included in other pieces of legislation. The entire House bill, he said, is unlikely to be voted upon as it is an omnibus, or policy, document.

Any action during this Congress on fuel economy is likely to start in the Senate, Totten said, especially since its new majority leader, George Mitchell, D-Maine, was successful in getting a clean air bill passed by the Senate last year. However, that effort died when the House failed to pass similar legislation. A domestic industry ally in the House is Rep. John Dingell, D-Mich., chairman of the powerful energy and commerce subcommittee. A stalemate between Dingell and committee member Rep. Howard Waxman, D-Calif., helped stall legislation last year.

If new fuel-economy measures are adopted in this Congress, Totten said, they are likely to be tacked onto another bill or be made part of the expected clean air debate in Congress.

Two proposals to increase federal fuel-economy standards almost became a part of an unrelated bill dealing with oil drilling and gas leasing in Alaskan wildlife refuges recently.

"You can understand the tack-on of a CAFE amendment to that bill to be the first skirmish," said the spokesman for the Senate Environmental Protection Subcommittee.

Congress has yet to update the Clean Air Act; extensions of its clean air deadlines ran out last summer.

While an extension of those deadlines is important to local government officials struggling with attaining clean-air standards, the industry will also be watching that legislation closely as well to see if there will be any further tightening of tailpipe emission standards.

Many sources, however, believe the Clean Air Act will be addressed separate from global warming but that fervent support for it will reawaken in this session of Congress.

Robert Crandall, a senior fellow in economics at the Brookings Institute in Washington said, "I suspect the time is right in the environmental arena. The Clean Air Act is up in the air and there is the global warming issue. But they are two separate issues."

James Mateyka, a vice president with the consulting firm of Booz Allen and Hamilton, said, "We follow emissions legislation for our auto industry clients and my read is that there is a fairly significant new wave of environmental legislation. Our sense is that the legislation is less fanatic than in the early 1970's but the auto industry should be looking at the trend."

Auto industry officials say 45 mpg cars can be built, but the question is not "can we build them," but, "will the customers buy them?"

GM's Stofflet notes that a Suzuki-built three-cylinder 1.0-liter Geo Metro model now is rated at 65 mpg, but accounts for less than 0.5 percent of GM sales.

He also noted that GM recently has had to increase the size of certain, previously downsized models, to increase demand.

"If you want to increase fuel economy, you have to tie that in with a gas tax," said Crandall of the Brookings Institute.

"Any other way would suppress the need and demand for new automobiles. . . . Otherwise buyers will hang onto their gas guzzlers. It is not clear however that anyone will have the courage to introduce such a measure," he said.

Totten of Rep. Schneider's office said European experience has shown fuel taxes to be an incentive only to purchase vehicles up to 30 or 35 mpg capability.

Automotive News Staff Reporters Mary Connelly and Roger Rowand in Detroit, Jim Henry in New York and Jesse Snyder in Los Angeles contributed to this report.

California drops bomb

Clean-air plan would kill gasoline cars

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Automakers expressed doubts about the technical feasibility and timing of a sweeping proposal that would eliminate gasoline-powered cars by 2007 in Southern California.

The 123-part plan, approved March 17 by the South Coast Air Quality Management District and the Southern California Association of Governments, includes 19 measures that directly affect the auto industry. The plan is designed to bring a four-county area into compliance with federal clean-air standards within 18 years.

It still must be approved by the California Air Resources Board and the EPA, a process that is expected to take at least four months.

And if approved, the air-quality and government association groups must go back and take up two proposals per month for implementation, which could take as long as five years.

The four-county region has twice failed to meet interim federal clean air standards and is under court order to adopt a plan.

The plan includes a phase-in of vehicles using alternate fuels that would result in eliminating gasoline-powered cars by 2007 and further tightening of California's already stringent limits on emissions of nitrous oxides, hydrocarbons and carbon monoxide.

But the plan also calls for significant changes in Southern California lifestyles. They range from limiting the number of cars per household and ending solo commuting to eliminating charcoal starter fluid and reformulating hair spray and aerosol deodorants.

Marcel Halberstadt, director of the environmental department of the Motor Vehicle Manufacturers Association, said it is not feasible with present emission-control technology to meet the proposed standards.

Spokesmen for General Motors and Ford Motor Co. concurred, saying the plan assumes the development of emission-control technology that currently doesn't exist. But both companies and most Japanese auto importers based in California cautioned that they have not had time to study the plan.

Many aspects of the plan already are being addressed, such as gradually weaning vehicles off gasoline, a GM spokesman said.

Both Ford and GM have fleets of small cars in California that are powered by a mixture of methanol and gasoline. Ford has 1,000 flexible-fuel Escorts in government service in the state, and GM will deliver 2,200 variable-fuel cars to the California Energy Commission in the next two years.

The goal of the Air Quality Management Board is to convert 40 percent of cars, 70 percent of commercial vehicles and all buses to electricity or alternative fuels within 10 to 15 years.

But the ability of manufacturers to take experimental methanol programs from the concept stage to manufacturing, servicing and fueling vehicles with performance and convenience acceptable to consumers in such a short period is questioned by George Peterson, president of AutoPacific Group, a consultant firm in Newport Beach, Calif.

"Everybody has an alternate fuel program, but it's a big leap from experimental designs to something that can be manufactured and meet driveability standards," Peterson said.

Improving emission controls, while a technological challenge, is far less costly to automakers than complete product-line redesigns that would be required to meet tougher fuel-economy standards that the federal government is expected to take up shortly, he added.

The plan for reducing the number of vehicles per household could include heavily taxing the second and subsequent vehicle registrations.

If that happens, vehicle purchases in the Los Angeles area would drop and eventually reduce dealership values in the area, said Christopher Cedergren, senior analyst for J.D. Power and Associates, Agoura Hills, Calif.

But it's unlikely to happen because no elected politician would dream of taking cars away from Southern Californians, said Mickey Garrett, executive vice president of the Greater Los Angeles Motor Car Dealers Association.

Of greater concern to auto dealers is meeting even tighter controls on emissions of paint solvents from their body shops, he added.

Nissan, which is the only Japanese company represented on an SAE committee studying how to replace chlorofluorocarbons in air conditioners and refrigeration equipment, is ready to launch a Freon recovery and recycling program for its dealers as soon as federal certification is received.

DOMESTIC CAR SALES

	Mar. 11-20, 1989	Mar. 11-20, 1988
Eagle	1,347	1,017
Chrysler	5,643	9,479
Plymouth	6,455	7,556
Dodge	12,379	12,749
Chrysler Motors	25,824	30,801
Ford	39,065	38,079
Mercury	13,147	11,088
Lincoln	5,267	5,019
Ford Motor Co.	57,479	54,186
Buick	13,973	12,512
Cadillac	7,470	6,105
Chevrolet	35,415	33,655
Oldsmobile	16,242	17,091
Pontiac	19,262	22,810
General Motors	92,362	92,173
Volkswagen	—	1,034
Honda	9,052	7,270
Nissan	2,912	1,869
Toyota	5,027	1,169
Mazda	1,384	743
Mitsubishi	557	—
U.S. Car Total	194,597	189,245

Transplants pace mid-month gain

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

A few fragments of good news for automakers in the United States blew in on the blusterous winds of mid-March. Retail deliveries of U.S.-built cars rose a skimpy 2.83 percent.

Sales in the March 11-20 sales period climbed to 194,597 units, up from 189,245 units in the year-earlier span.

Transplants led the way and all the domestic makers reported sales improvements except Chrysler Motors, which noted a 16.16 percent decline.

The average daily-selling rate totaled 24,325 units, up from 23,656 units a year earlier. Both periods had eight selling days.

Ford Motor Co.'s sales rose 6.08 percent while General Motors inched up 0.21 percent. Sales improvements for Buick, Cadillac and Chevrolet offset drops for Oldsmobile and Pontiac.

Toyota dealers delivered 5,027 cars, compared with 1,169 last year, a gain of 330.03 percent. Of the Toyotas sold, 2,592 were Corollas and 2,435 Camrys.

Mitsubishi, a newcomer to production here, reported retail sales of 557 units. The company's Eclipse is produced in Illinois.

Also reporting sales gains were Mazda, 86.27 percent; Nissan, 55.81 percent; and Honda, 24.51 percent.

PRODUCTION

Good Friday slashes car, truck output

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic car and truck production fell from the prior week's and year-ago week's totals as all but one U.S. assembly plant closed for Good Friday.

Scheduled truck output was 69,543 units last week, 28.02 percent below the prior week's 96,610, which was the highest weekly total since the 96,725 trucks assembled the week ended Dec. 10, 1988.

Last week's projected truck build was 21.39 percent below the year-ago week's 88,469.

Year-to-date, 1,079,959 trucks have been assembled, 6.54 percent more than the 1,013,618 built last year at this time.

Automakers scheduled assembly of 127,636 cars last week, 16.35 percent below the previous week's 152,582 and 13.66 percent fewer than the year-ago week's 147,821.

So far this year, 1,773,499 cars have been built, 14.25 percent more than the 1,552,357 completed last year at this point.

Companies split last week's estimated production as follows: General Motors, 48.50 percent; Ford Motor Co., 24.87 percent; Chrysler Motors, 12.38 percent; Honda of America Manufacturing, 4.86 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.02 percent; New United Motor Manufacturing Inc., 2.51 percent; Nissan Motor Manufacturing Co. U.S.A., 1.61 percent; Toyota Motor Manufacturing U.S.A., 1.59 percent; and Diamond-Star Motors, 0.66 percent.

GM's Janesville, Wis., truck plant shut down March 20 for model changeover; it will be closed until late July. About 1,000 workers are temporarily laid off.

On April 10, GM will shut down its Reatta Craft Centre in Lansing, Mich., for one week to adjust inventory.

GM's Wentzville, Mo.; Doraville, Ga.; and Willow Run, Mich., plants resumed production last week after being idle for inventory adjustment.

All assembly plants except Toyota's Georgetown, Ky., facility were closed Good Friday.

Short week felt in Canada, too

Canadian assembly plants were closed Good Friday, causing car and truck production to dip from the prior week's and year-ago week's builds.

Last week's targeted car output of 18,678 fell 8.47 percent from the previous week's 20,407 and dropped 29.32 percent from the year-ago week's 26,426.

So far this year, 234,615 cars have been built, 11.37 percent below the 264,707 assembled last year at this time.

Truckmakers scheduled 15,987 units last week, 6.15 percent below the prior week's 17,034 and 20.02 percent below the year-ago week's 19,989.

Year-to-date, 240,744 trucks have been assembled, 4.54 percent more than the 230,291 completed last year at this point.

U.S. CAR	Week Ended Mar. 25, 1989	Week Ended Mar. 26, 1988	Week Ended Mar. 18, 1989	Mar. to Date	Jan. 1 to Mar. 25, 1989	Jan. 1 to Mar. 26, 1988
Horizon	200	1,849	0	200	200	20,336
Sundance	1,800	2,189	2,386	7,747	27,979	25,448
Reliant	0	2,377	0	0	0	20,460
Acclaim	2,200	0	3,445	10,688	26,943	0
Caravelle	0	524	0	0	0	4,432
Gran Fury	0	112	0	0	0	2,566
Total Plymouth	4,200	7,051	5,831	18,635	55,122	73,242
LeBaron K	0	524	0	0	0	3,708
LeBaron J	1,800	1,899	2,296	7,272	26,680	12,626
LeBaron GTS	0	243	0	262	2,946	2,044
N. Yorker C-Class	1,200	0	2,861	9,109	30,643	24,417
Fifth Avenue	0	192	0	0	0	11,040
Total Chrysler	3,600	5,209	5,157	16,643	60,269	53,835
Omni	200	1,881	0	200	200	19,929
Daytona	1,800	1,976	2,300	7,292	26,730	12,029
Shadow	1,900	2,270	2,404	7,885	28,565	26,309
Aries	0	2,333	0	0	0	16,580
Dodge 600	0	457	0	0	0	3,794
Dynasty	2,300	2,609	3,564	11,036	38,483	26,802
Lancer	0	163	0	32	1,528	2,784
Spirit	1,800	0	2,749	8,532	25,070	0
Diplomat	0	693	0	0	0	4,979
Total Dodge	8,000	12,382	11,017	34,978	120,576	113,206
CHRYSLER MOTORS	15,800	24,642	22,005	70,256	235,967	240,283
Escort	5,960	4,252	6,900	23,260	87,053	81,084
Mustang	3,471	4,543	4,163	14,423	49,861	53,875
Tempo	2,498	4,406	3,246	10,788	40,143	49,414
Taurus	6,268	7,870	6,191	27,147	94,052	95,156
Thunderbird	3,186	3,454	3,786	12,603	43,247	39,148
Total Ford Div.	21,383	24,525	26,286	88,222	314,356	318,677
Topaz	1,110	1,100	1,154	4,352	15,524	18,567
Cougar	2,335	2,316	3,806	11,800	37,002	30,089
Sable	3,112	2,753	3,088	11,002	32,669	30,041
Total Mercury	6,557	6,169	8,048	27,154	85,195	78,697
Continental	1,145	936	1,660	5,233	17,820	10,606
Mark VII	378	457	553	1,741	7,189	6,409
Lincoln	2,285	2,805	3,317	10,460	31,779	36,041
Total Lincoln	3,808	4,200	5,530	17,434	56,788	53,056
Total L-M Division	10,365	10,369	13,578	44,587	141,983	131,753
FORD MOTOR CO.	31,748	34,894	39,864	132,809	456,339	450,430
Skyhawk	212	1,040	316	5,911	8,777	8,256
Skylark/Somerset	1,048	369	1,347	4,470	12,503	5,744
Century	1,880	3,135	2,758	8,255	30,021	15,647
Riviera	430	151	535	1,944	7,039	1,730
Electra	1,561	1,667	0	4,307	19,686	16,071
LeSabre (fwd)	3,732	3,411	4,485	13,856	22,747	29,895
LeSabre (rwd)	132	219	199	648	2,323	1,679
Reatta	162	129	194	466	1,635	888
Total Buick	9,157	10,121	9,834	39,858	104,731	79,910
Cimmaron	0	176	0	0	0	2,905
Eldorado	753	1,180	919	3,033	8,992	8,393
Seville	468	702	568	1,990	6,739	5,556
Brougham (rwd)	568	213	838	2,624	11,132	426
Deville (fwd)	3,916	4,029	4,936	16,544	53,587	46,818
Allante	56	65	73	249	864	531
Total Cadillac	5,759	6,365	7,334	24,440	81,314	64,629
Cavalier	5,278	6,999	7,890	21,452	92,204	78,984
Camaro	2,284	2,418	2,513	8,812	28,997	13,732
Celebrity	1,900	3,464	2,870	8,716	39,536	36,532
Corsica/Beretta	7,592	8,842	9,218	31,557	106,074	93,863
Caprice	3,676	3,153	5,478	16,872	47,878	47,850
Corvette	504	438	573	1,975	6,148	5,196
Total Chevrolet	21,234	25,314	28,542	89,385	320,837	276,157
Calais	1,832	1,990	2,317	7,803	21,464	24,778
Firenza	0	542	0	0	0	3,996
Cutlass Ciera	1,144	0	1,858	5,880	19,979	0
Cutlass Supreme	2,826	2,216	0	2,828	24,396	22,911
Toronado	143	481	167	532	2,770	4,148
88 (fwd)	2,756	4,050	240	6,383	38,544	36,445
88 (rwd)	92	269	137	422	1,816	3,119
Olds 98	1,747	2,157	254	5,537	22,485	21,209
Total Oldsmobile	10,542	11,705	4,973	29,385	131,454	115,872
Sunbird	2,766	2,150	4,089	12,668	34,631	25,748
Grand Am	4,155	4,615	6,077	18,941	59,875	57,748
Firebird	1,140	1,817	1,568	5,322	17,967	11,837
Grand Prix	3,248	2,041	4,000	11,248	31,249	24,348
Pontiac 6000	1,492	3,175	2,235	6,572	22,014	13,350
Bonneville	2,352	2,465	0	3,743	20,957	21,802
Safari/Parisienne	76	200	124	381	1,270	1,680
Fiero	0	616	0	0	0	4,241
Total Pontiac	15,229	17,079	18,093	58,875	187,963	151,644
GENERAL MOTORS	61,921	70,584	68,776	241,943	826,299	688,212
DIAMOND-STAR	840	0	1,119	3,281	8,243	0
HONDA	6,200	8,043	7,600	26,436	92,418	86,392
Civic	2,036	2,171	2,507	8,566	30,846	21,232
Accord	4,164	5,872	5,093	17,869	61,572	65,160
MAZDA†	3,852	1,837	4,862	16,990	57,789	14,794
NISSAN	2,050	2,505	2,329	8,148	27,481	18,284
NUMMI	3,200	3,296	4,023	14,883	45,945	38,147
Corolla	1,280	1,246	1,652	6,064	19,493	13,480
Geo Prizm/Nova	1,920	2,050	2,371	8,818	26,452	24,667
TOYOTA	2,025	0	2,004	7,266	23,018	0
VOLKSWAGEN	0	2,020	0	0	0	15,815
Golf/GTI	0	1,670	0	0	0	10,515
Jetta	0	350	0	0	0	5,300
Total Cars, U.S.	127,636	147,821	152,582	522,012	1,773,499	1,552,357
Total Cars, Canada	18,678	26,426	20,407	70,688	234,615	264,707
U.S., Canada Cars	146,314	174,247	172,989	592,700	2,008,114	1,817,064
U.S., Canada Cars and Trucks	231,844	282,705	286,633	974,329	3,326,817	3,060,973

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes Ford Probe.

CANADIAN CAR	Week Ended Mar. 25, 1989	Week Ended Mar. 26, 1988	Week Ended Mar. 18, 1989	Mar. to Date	Jan. 1 to Mar. 25, 1989	Jan. 1 to Mar. 26, 1988
Premier	1,020	1,695	0	1,785	11,305	16,090
CHRYSLER MOTORS	1,020	1,695	0	1,785	11,305	16,090
Tempo	2,676	4,391	3,403	11,491	42,235	49,888
Topaz	1,164	1,356	1,480	4,957	16,871	17,612
Crown Victoria	2,420	2,835	2,945	9,906	31,926	33,927
Grand Marquis	2,380	2,870	2,838	9,778	33,432	33,252
FORD MOTOR CO.	8,640	11,452	10,666	36,132	124,464	134,679
Celebrity	156	435	196	644	2,291	4,271
Cutlass Ciera	2,959	7,528	3,742	12,296	43,744	54,143
Lumina	1,917	0	1,420	4,186	7,292	0
Pontiac 6000	0	1,135	0	0	0	11,002
Regal	2,362	3,397	2,290	8,396	22,701	35,519
GENERAL MOTORS	7,394	12,495	7,648	25,522	76,028	104,935
HONDA	1,320	634	1,701	5,889	19,481	7,596
TOYOTA	160	0	212	748	1,304	0
VOLVO	144	150	180	612	2,033	1,407
Total Cars, Canada	18,678	26,426	20,407	70,688	234,615	264,707

U.S. TRUCK☆	Week Ended Mar. 25, 1989	Week Ended Mar. 26, 1988	Week Ended Mar. 18, 1989	Mar. to Date	Jan. 1 to Mar. 25, 1989	Jan. 1 to Mar. 26, 1988
Caravan	1,600	2,182	2,548	7,484	26,831	24,383
Dakota	2,000	2,835	2,991	8,606	26,734	28,396
Mini-Ram Van	100	360	217	604	2,331	3,647
Pickups	2,000	1,400	2,993	8,606	26,710	13,871
Total Dodge	5,700	6,777	8,749	25,301	82,606	70,297
Cherokee	3,600	3,218	4,584	16,626	53,787	43,173
Commanche	400	840	588	2,115	8,393	11,973
Grand Wagoneer	200	0	350	1,094	3,949	3,142
Wagoneer	100	247	198	674	2,384	3,222
Total Jeep	4,300	4,305	5,720	20,508	68,513	61,510
Voyager	1,500	2,122	2,401	7,059	25,883	22,301
Total Plymouth	1,500	2,122	2,401	7,059	25,883	22,301
CHRYSLER MOTORS	11,500	13,204	16,870	52,868	177,002	154,108
Aerostar	3,990	5,115	5,800	17,163	57,478	55,497
Bronco	1,474	1,301	2,062	6,591	22,758	15,155
Bronco II	2,246	3,011	2,969	9,821	33,615	36,605
Econoline	4,184	5,184	5,198	17,664	60,062	61,511
Heavy trucks	1,145	1,410	1,747	5,228	16,446	16,110
Light trucks	9,079	11,653	11,616	38,617	131,876	122,721
Ranger	6,171	7,406	7,548	25,861	88,392	88,061
Total Ford Div.	28,289	35,080	36,940	120,944	410,627	395,660
FORD MOTOR CO.	28,289	35,080	36,940	120,944	410,627	395,660
Astro	2,575	3,314	3,526	12,217	41,370	42,500
Blazer	433	510	619	1,923	6,670	6,558
Mediums/Heavies	0	500	0	0	0	5,854
P-Model	636	879	822	2,703	7,188	9,118
Pickups	6,931	7,603	9,232	29,601	107,740	76,150
S-10	3,590	6,526	5,354	19,038	70,151	66,442
S-10 Blazer	3,064	3,095	4,901	14,532	46,701	36,993
Sportsvan/Van	1,695	1,874	2,269	7,482	22,617	16,914
Suburban	1,109	1,451	1,780	5,335	18,676	17,244
Total Chevrolet	20,033	25,752	28,503	92,832	321,113	277,773
Jimmy	85	168	213	571	2,068	2,183
Mediums/Heavies	0	777	0	0	0	11,137
P-Model	11	105	41	195	1,001	1,128
Pickups	496	2,334	1,339	6,032	29,788	26,047
S-15	892	1,613	1,462	4,877	16,641	18,163
S-15 Jimmy	792	1,341	1,570	4,094	13,166	8,691
Safari	521	757	946	2,999	10,433	10,950
Suburban	368	578	713	2,059	7,424	9,021
Vandura/Rally Vans	399	589	612	1,847	5,921	10,748
Total GMC	3,564	8,262	6,396	22,674	86,442	98,068
GENERAL MOTORS	23,597	34,014	35,399	115,506	407,555	375,841
NAVISTAR	1,530	1,737	1,888	6,220	20,375	20,940
NISSAN	2,427	1,684	2,763	9,644	32,500	34,069
AM GENERAL	360	450	450	1,530	5,220	5,400
MISCELLANEOUS	1,840	2,300	2,300	7,820	26,680	27,600
Total Trucks, U.S.	69,543	88,469	96,610	314,532	1,079,959	1,013,618

CANADIAN TRUCK	Week Ended Mar. 25, 1989	Week Ended Mar. 26, 1988	Week Ended Mar. 18, 1989	Mar. to Date	Jan. 1 to Mar. 25, 1989	Jan. 1 to Mar. 26, 1988
Caravan	2,064	3,078	3,169	10,282	36,951	36,641
Mini-Ram Van	144	345	199	667	2,360	3,195
Ram Wagon	560	580	0	1,596	7,201	5,490
Ram Van	1,320	1,390	0	4,105	18,471	13,721
Total Dodge	4,088	5,393	3,368	16,651	64,983	59,047
Voyager	1,888	2,814	2,845	9,412	32,350	34,183
Total Plymouth	1,888	2,814	2,845	9,412	32,350	34,183
Wrangler	1,360	1,057	1,849	6,183	18,524	12,160
Total Jeep	1,360	1,057	1,849	6,183	18,524	12,160
CHRYSLER MOTORS	7,336	9,264	8,062	32,246	115,857	105,390
FORD MTR. (lt. trks.)	3,040	3,526	3,601	12,131	40,598	43,075
Light trucks	2,648	3,177	2,380	10,403	39,165	38,076
Vans	1,124	951	1,322	4,671	16,582	15,248
Total Chevrolet	3,772	4,128	3,702	15,074	55,747	53,324
Light trucks	1,192	1,702	646	4,391	17,831	18,661
Vans	436	1,143	755	2,338	7,840	7,184
Total GMC	1,628	2,845	1,401	6,729	25,671	25,845
GENERAL MOTORS	5,400	6,973	5,103	21,803	81,418	79,169
NAVISTAR	211	226	268	917	2,871	2,657
Total Trks., Canada	15,987	19,989	17,034	67,097	240,744	230,291
U.S., Canada Trks.	85,530	108,458	113,644	381,629	1,320,703	1,243,909

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.